sticky advances aggregating Rs. 33.73 crores constituted 40.2% of the total advances. RBI, therefore, recommended imposition of moratorium on the bank and also its amalgamation with another bank. Accordingly an application was made by the RBI under section 45(1) of the Banking Regulation Act, 1949 to the Central Government for issue of an order of moratorium on the Hindustan Commercial Bank Ltd., Kanpur. Government issued an order of moratorium under section 45(2) of the Banking Regulation Act, 1949 with effect from the 24th May, 1986. The order of moratorium which was operative upto 24th November, 1986 has been extended further by an order of the High Court of Bombay passed on a writ petition filed by some share-holders of the Hindustan Commercial Bank Ltd., Kanpur.

Reserve Bank of India had also prepared a scheme of amalgamation of the Hindustan Commercial Bank Ltd. with Punjab National Bank to protect the interest of the depositors. The High Court of Bombay has stayed the implementation of the scheme of amalgamation also. The matter is therefore subjudice.

Export of Aluminium

2737. SHRIMATI RENUKA CHOWDHURY :

SHRI TALARI MANOHAR :

Will the Minister of COMMERCE be pleased to state :

(a) whether aluminium is proposed to be exported at reduced prices as reported in the Indian Express of the 24th August 1986; and

(b) if so, whether Government propose to sell aluminium at reduced price in the domestic market ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. R. DAS MUNSHI) : (a) No, Sir. The report in the Indian Express of the 24th August, 1986 relates to the decision of the Government to supply indigenous Aluminium for export production to exporters of aluminium based engineering products at International prices.

(b) No, Sir.

Banking Service Commission

2738. SHRI D. B. CHANDRE GOWDA : Will the Minister of FINANCE be pleased to state :

(a) whether by now all the modelities and pattern of work of the proposed Banking Service Commission have been worked out;

(b) if not, what are the reasons for such abnormal delay; and

(c) what efforts are being made to constitute the proposed Banking Service Commission immediately ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARI) : (a) to (c) In order to economise on administrative expenditure and the fact that the present decentralised system of recruitment through Banking Service Recruitment Boards is functioning satisfactorily, the proposal for setting up of a Banking Service Commission is being kept in abeyance.

UN report regarding India's raising of money from private owners

2739. PROF. C. LAKSHMANNA : Will the Minister of FINANCE be pleased to state :

(a) whether Government's attention has been drawn to a UN report to the effect that India may be in debt trap in the nineties because of her policy of raising too much money from private sector as reported in the Business Telegraph of 15th October, 1986; and

(b) if so, what steps Government have taken to avoid such a situation ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARI) : (a) and (b) Attention has been drawn to a newspaper report to the effect that care must be taken to ensure that India and China are not forced to take too much money from private sources. Obviously, the reference is to commercial borrowing from abroad. Government of India is aware of the risks of such dependence on borrowing non-concessional sources and is therefore following a cautious policy of prudent debt management in regard to such borrowings.